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BEFORE THE ARIZONA CORPORATION COMMISSION

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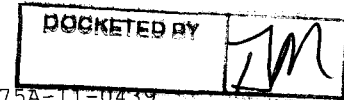
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AZ CORP COMMISSION  
DOCKET CONTROL

**COMMISSIONERS**

GARY PIERCE - CHAIRMAN  
BOB STUMP  
PAUL NEWMAN  
SANDRA D. KENNEDY  
BRENDA BURNS



IN THE MATTER OF THE APPLICATION OF )	DOCKET E-01575A-11-0439
SULPHUR SPRINGS VALLEY ELECTRIC )	
COOPERATIVE, INC. FOR APPROVAL OF A )	<b>SULPHUR SPRINGS VALLEY</b>
NEW EXPERIMENTAL PREPAID )	<b>ELECTRIC COOPERATIVE INC'S</b>
RESIDENTIAL SERVICE TARIFF )	<b>EXCEPTIONS TO THE,</b>
)	<b>JULY 5, 2012 RECOMMENDED</b>
)	<b>OPINION AND ORDER</b>

Sulphur Springs Valley Electric Cooperative, Inc. ("SSVEC" or "Cooperative") hereby files its Exceptions to the Recommended Opinion and Order ("ROO") issued July 5, 2012, in the above-captioned matter along with three proposed amendments to the ROO.

SSVEC is in general agreement with most of the recommendations set forth in the ROO and appreciates the work of the Staff on this request to meet the timing restraints of the Smart Grid Grant. Our Exceptions are more for clarification purposes so that we can have a successful program to offer to our Members. For the convenience of the Commission, SSVEC has attached to these Exceptions, Proposed Amendments 1 - 3.

**Exception #1 REST Surcharge**

In the ROO (Page 10 line 28) it states, "Include the methodology for calculating the daily REST surcharge". SSVEC presented in its filing the methodology for that and has no problem including that in the proposed tariff. SSVEC suggests the following replacement language to clarify how the REST surcharge will be applied to the proposed RPS rate.

The RPS tariff is subject to the REST Surcharge on a per kWh basis as all other SSVEC rates, but with the use of a daily (rather than monthly) REST Surcharge CAP. The methodology for calculating a daily REST surcharge CAP is based on the following formula; the Monthly Residential Rest Surcharge CAP x 12 months ÷ 365 days rounded to nearest mill (1/10 of a penny).

**Exception #2 Section F items #5**

None of SSVEC's current rates or service conditions include a provision for "non-disconnect" based on a projected temperature of 100 degrees Fahrenheit or more. Therefore, to maintain consistency with our other rates and to minimize confusion to

our customers regarding our rates, SSVEC proposes to keep the definition as stated in the submitted Tariff based on the definition # 46 in A.A.C. R14-2-201.

*"Weather especially dangerous to health". That period of time commencing with the scheduled termination date when the local weather forecast, as predicted by the National Oceanographic and Administration Service, indicates that the temperature will not exceed 32 degrees Fahrenheit for the next Day's forecast. The ACC may determine that other weather conditions are especially dangerous to health as the need arises.*


**Exception #3 Reporting Requirements**

SSVEC cannot provide a report to the level of detail requested; "specifying the number of low-income disconnections" (page 11 line 20). SSVEC does not have a "low-income" rate and therefore we have no way of identifying which of the disconnections would be considered "low-income". SSVEC objects to twice per year reporting and the open ended nature of the order for filing reports. SSVEC feels that two years of annual reports should be more than enough data to monitor the new rate and request that an end date of February 2015 be the last report filed by SSVEC for Commission Staff to evaluate the progress of the rate.

RESPECTFULLY SUBMITTED this 11<sup>th</sup> day of July 2012

Sulphur Springs Valley Electric Cooperative, Inc.

By

  
David Bane  
Key Account Manager

Original and 14 copies of the foregoing

Files this 11<sup>th</sup> day of July 2012 with:

Docket Control

Arizona Corporation Commission

1200 W. Washington St.

Phoenix, AZ 85007

## SSVEC's Proposed Amendments to the ROO

### Amendment No. 1

Strike on Page 3, line 16 the last line in the rate table referring to the REST (per day) charge.

Insert the following on Page 10, at the end of line 28:

The RPS tariff is subject to the REST Surcharge on a per kWh basis as all other SSVEC rates, but with the use of a daily (rather than monthly) REST Surcharge CAP. The methodology for calculating a daily REST surcharge CAP is based on the following formula; the Monthly Residential Rest Surcharge CAP  $\times$  12 months  $\div$  365 days rounded to nearest mill (1/10 of a penny).

### Amendment No 2

Strike on Page 8, line 18-19, which states:

Include language that states SSVEC would not disconnect prepaid customers when the temperature exceeds 100 degrees Fahrenheit in addition to the language specified in Section F.5 of SSVEC's proposed RPS tariff;

Strike Page 11, lines 3 -4 which state:

Include language that states SSVEC shall not disconnect prepaid customers when the temperature exceeds 100 degrees Fahrenheit in addition to the language specified in Section F.5. of Sulphur Springs Valley Electric Cooperative, Inc.'s proposed RPS tariff;

### Amendment No. 3

Strike Page 9, line 9 "specifying the number of low-income disconnections"

Strike Page 11, line 20 "specifying the number of low income disconnections."

Strike Page 9 line 5 "status reports each February and August that contain"

Insert Page 9 line 5 "status reports each February for the prior calendar year that contain"

Insert on Page 9 line 6 after "2013" the following: "and the last report shall be filed February 2015"

Strike Page 11 line 17 "status reports each February and August that contain"

1 Insert Page 11 line 17 "status reports each February for the prior calendar year that  
2 contain"

3 Insert on Page 11 line 18 after "2013" the following: "and the last report shall be  
4 filed February 2015"

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